A STUDY OF FINANCIAL DISCRIMINATION IN URBAN AND RURAL PEOPLE REGARDING POVERTY AND GROWTH IN MARATHWADA

A Synopsis Submitted to

Swami RamanandTeerth Marathwada University, Nanded.

for the award of Ph.D Degree in

Faculty of Commerce

By

Mr. Shete Nagesh Panchakashari

(M.com.M.phil)

Eligibility no: - Ph.D./Comm./ Feb - 16/141

Under the Guidance of

Dr. Ashok Chavan

Assistant Professor

Late Ramesh WarpudkarCollege,Sonpeth,

Dist. Parbhani, Maharashtra - 431510

2016

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Introduction:-

Financial discrimination is discrimination based on Financial factors. These factors can include job availability, wages, the prices and/or availability of goods and services, and the amount of capital investment funding available to minorities for business. This can include discrimination against workers, consumers, and minority-owned businesses.It is not the same as price discrimination, the practice by which monopolists (and to a lesser extent oligopolists and monopolistic competitors) charge different buyers different prices based on their willingness to pay.

History:-

Recognition of Financial discrimination began in the British Railway Clauses Consolidation Act of 1845, which prohibited a common carrier from charging one person more for carrying freight than was charged to another customer for the same service. In nineteenth-century English and American common law, discrimination was characterized as improper distinctions in Financial transactions; in addition to the above issue in the British Railway Clauses, a hotelier capriciously refusing to give rooms to a particular patron would constitute Financial discrimination. These early laws were designed to protect discrimination from Protestants who might discriminate against Catholics or Christians who might discriminate against Jews.By the early twentieth century, Financial discrimination was broadened to include biased or unequal terms against other companies or competing companies. The Robinson-Patman Act (1936), which prevents sellers of commodities in interstate commerce from discriminating in price between purchasers of goods of like grade and quality, was designed to prevent vertically integrated trusts from driving smaller competitors out of the market through economies of scale.

It was not until 1941, when President Franklin D. Roosevelt issued an executive order forbidding discrimination in employment by a company working under a government defense contract thatFinancial discrimination took on the overtones it has

today, which is discrimination against minorities. By 1960, anti-trust laws and interstate commerce laws had effectively regulated inter-corporate discrimination so problematic in the late nineteenth and early twentieth centuries, but the problem of discrimination on anFinancial basis against minorities had become widespread.

Causes of Financial Discrimination:-

There is a wide range of theory concerned with the root causes of Financial discrimination. Financial discrimination is unique from most other kinds of discrimination because only a small portion of it is due to racism, but rather is due to what has been called a "cynical realization that minorities are not always your best customers". There are three main causes that most Financial theorists agree are likely root causes.

Animosity:-

Racism, sexism, ageism, and dislike for another's religion, ethnicity or nationality has always been a component of Financial discrimination, much like all other forms of discrimination.Most discrimination in the US and Europe is claimed to be in terms of racial and ethnic discrimination—mostly blacks and Hispanics in the USA, Muslims in Europe. In most parts of the world, women are held to lower positions, lower pay, and restricted opportunities of land ownership or Financial incentive to enter businesses or start them.This form of Financial discrimination is usually leveled at whatever groups are held to be "in power" at the time. For example, in America, discrimination is often considered to be the province of Caucasians, while in Saudi Arabia, it's men who are considered discriminatory. One study suggests that the increase in equal opportunity lawsuits has reduced this kind of discrimination in America by a large amount.

Cost/revenue:-

There is a certain opportunity cost in dealing with some minorities, particularly in highly divided nations or nations where discrimination is tolerated. In fundamentalist Islamic societies, some adherents of sharia law feel it's inappropriate for women to work. Companies that employ them might lose the business of offended men, or might suffer boycotts or even violence from extremists.

A second common reason for this kind of discrimination is when the worker or consumer is not cost-efficient. For example, some stores in the US Northwest do not stock ethnic foods, despite requests for such, since they feel the cost is too high for too low a return.Additionally, the illegal immigration debate in the US has resulted in some businesses refusing to hire such workers based on the likelihood that they would be fined and litigated against.

Efficiency:-

In some cases, minorities are discriminated against simply because it is inefficient to make a concerted effort at a fair allocation. For example, in countries where minorities make up a very small part of the population, or are on average less educated than the population average, there is rarely an attempt to focus on employment of minorities.The Equal Opportunity Employment act in the US has almost reduced this sort of rationale for discrimination to nothing, according to recent studies.The relations between Financial theory, efficiency and discrimination, or "discriminatory tastes" are much more problematic.

Forms of Financial discrimination:-

There are several forms of Financial discrimination. The most common form of discrimination is wage inequality, followed by unequal hiring practices. But there is also discrimination against minority consumers and minority businesses in a number of areas, and religious or ethnic discrimination in countries outside of the United States.

Against workers:-

Main article: Employment discriminationMost forms of discrimination against minorities involve lower wages and unequal hiring practices.

Wage discrimination:-

In the United States, several minority groups, including black men and women, Hispanic men and women, and white women, suffer from decreased wage earning for the same job with the same performance levels and responsibilities as white males. Numbers vary wildly from study to study, but most indicate a gap from 5 to 15% lower earnings on

average, between a white male worker and a black or Hispanic man or a woman of any race with equivalent educational background and qualifications.

A recent study indicated that black wages in the US have fluctuated between 70% and 80% of white wages for the entire period from 1954–1999, and that wage increases for that period of time for blacks and white women increased at half the rate of that of white males. Other studies[3] show similar patterns for Hispanics. Studies involving women found similar or even worse rates.[9] See also Racial wage gap in the United StatesOverseas, another study indicated that Muslims earned almost 25% less on average than whites in France, Germany, and England, while in South America, mixed-race blacks earned half of what Hispanics did in Brazil.

Most wage discrimination is masked by the fact that it tends to occur in lower-paying positions and involves minorities who may not feel empowered to file a discrimination lawsuit or complain.

Hiring discrimination:-

Hiring discrimination is similar to wage discrimination in its pattern. It typically consists of employers choosing to hire a white candidate over a minority candidate, or a male candidate over a female candidate, to fill a position. A study of employment patterns in the US indicated[4] that the number of hiring discrimination cases has increased fivefold in the past 20 years. However, their percentage as a whole fraction of the workforce hirings has decreased almost as drastically. With the stiff laws against discrimination in hiring, companies are very careful in who they hire and do not hire.

Even so, studies have shown that it is easier for a white male to get a job than it is for an equally qualified man of color or woman of any race. Many positions are cycled, where a company fills a position with a worker and then lays them off and hires a new person, repeating until they find someone they feel is "suitable"—which is often not a minority.While hiring discrimination is the most highly visible aspect of Financial discrimination, it is often the most uncommon. Increasingly strong measures against discrimination have made hiring discrimination much more difficult for employers to engage in. However this is only the case in formal hiring arrangements, with corporations

or others subject to public scrutiny and overview. Private hiring, such as apprenticeships of electricians, plumbers, carpenters, and other trades is almost entirely broken down along racial lines, with almost no women in these fields and most minorities training those of their own race.

Against consumers:-

Most discrimination against consumers has been decreased due to stiffer laws against such practices, but still continues, both in the US and in Europe. The most common forms of such discrimination are price and service discrimination.

Discrimination based on price:-

Discrimination based on price is charging different prices for goods and services to different people based on their race, ethnicity, religion, or sex. It should not be confused with the separate Financial concept of price discrimination. Descrimination based on price includes, but is not limited to: increased costs for basic services (health care, repair, etc.)increased costs for per diem charges (such as charging one person $40 while charging another person $100 for exactly the same service provided) not offering deals, sales, rebates, etc. to minorities higher rates for insurance for minorities. Most charges of discrimination based on price are difficult to verify, without significant documentation. Studies indicate that less than 10% of all discrimination based on price is actually reported to any authority or regulatory body, and much of this is through class-action lawsuits. Furthermore, while a number of monitoring services and consumer interest groups take an interest in this form of discrimination, there is very little they can do to change it. Most discrimination based on price occurs in situations without a standardized price list that can be compared against. In the cases of per diem charges, this is easily concealed as few consumers can exchange estimates and work rates, and even if they do the business in question can claim that the services provided had different baseline costs, conditions, etc.

Discrimination based on price in areas where special sales and deals simply are not offered can be justified by limiting them to those with strong credit ratings or those with past business with the company in question.

Services discrimination:-

Although price discrimination mentions services, service discrimination is when certain services are not offered at all to minorities, or are offered only inferior versions. According to at least one study, most consumer discrimination falls into this category, since it is more difficult to verify and prove. Some assertions of discrimination have included: offering only high-cost plans for insurance or refusal to cover minorities, refusing to offer financing to minorities, denial of service.

Profile of Marathwada Region:-

Marathwada is the region comprising the eight districts of (divisional headquarters) Jalna, Aurangabad, Parbhani, Hingoli, Nanded, Latur, Osmanabad and Beed. Was once part of the erstwhile kingdom of the Nizam of Hyderabad.It accounts for 16.84% of the state's population and is home to nearly 30% of the state's Below Poverty Line families.

Its per capita GDP is Rs 10,373 -- a good 40 per cent below the state's per capita GDP of Rs17,029 and contributes just 8% of the state's industrial output.Its literacy rate is the lowest in the state (51.23%, Census 2001). All eight districts figure in the list of the 100 poorest districts in the country.Perhaps, the most neglected region of Maharashtra.

Lacks natural resources and is prone to drought. Nearly 32% of its 64,818 sq km area comes under the rain shadow region. Annual average rainfall is 750mm and drought is a permanent feature. Irrigation water, in real terms reaches not more than 50,000 acres of cultivable land. Getting supply of drinking water twice a week is a luxury. This year, the picture has been slightly better owing to a good monsoon.

About 98% of agriculture is dry land farming and cotton is the major crop. But the inherent susceptibility of cotton crop to pest and the vagaries of nature make its cultivation a risky affair, resulting in many a farmer falling prey to debt. Suicide among farmers is on the rise.

Financial Discrimination in Marathwada Region:-

The Marathwada region has suffered an unprecedented Financial recession. Local businesses have collapsed and many farmers have committed suicide.This project has helped to boost the production of spices, chutneys and other products to a monthly average of 2.55 tons and five new retail outlets have been installed in prime locations. The products are marketed under the brand name ‘Samata’. There are 10 retail stalls and the enterprise employs 16 people,

the majority of whom are Dalit women. The employees earn 4500-5000 Rs (£45-£50) which is their only income. Around 83 women's self help group members sell the Samata Products part-time in the weekly markets.During the first six months the Samata Social Enterprise had mixed results. But on-the-job training quickly improved production, management and marketing. The products are extremely popular despite the harsh Financial climate. Support from Karuna has not only enabled the project to survive, it has given local people the strength to look forward to better Financial times.

Objective of the Study:-

01. To study the Financial background of the Urban and Rural People in Marathwada Region.
02. To find out the causes of poverty and growth of study area.
03. To analyzed factors of Financial discrimination in Urban and Rural area in Marathwada region.
04. To study of socio Financial development through various schemes adopted by government for Urban and Rural Peoples.
05. To know the Socio Financial Background of Urban and Rural Labour in Marathwada Region.
06. Describe patterns of Urban and Rural labour migration and associated Financial, demographic, and socio-cultural changes in Marathwada Region.

Hypothesis of the study:-

The claim of Migration of Urban and rural peoples in Marathwada Region higher ratio with compare to other districts. The in-depth qualitative rather than quantitative information was used for the purpose to answer the research questions. Small contract farmers were interviewed to gather information, details of which are given in the methodology section.

1. Migration of Urban and Rural peoples in Marathwada Region is decreasing day by day.
2. Financial discrimination and Marathwada region is high.
3. Lack of facilities lead to raising the production.

4. State Government does not establish guaranteed Policy against Urban and rural peoples.

Research Methodology:-

This study is based on both primary and secondary data. The primary data will be collected from the respondent through well designed questionnaire and interview schedule. The secondary data will be collected from various studies, books, journals, magazines, websites to supplement the present study.

Sample Selection:-

It is impossible to collect the require data from the entire populations of Urban and Rural labour migration in Marathwada region. Therefore, it will be decided to use purposive quota sampling method to select the respondent for this study. Total 400 respondents will be selected for the study. Out of that 200 respondents will select from Urban area and 200 respondent will selected from Rural area from Marathwada region.Ratio of male and female will 1:1, here equal chance for both genders.

Secondary Data:-

The researcher has collected the secondary data from various sources, like internet, books, journals, publications and newspapers.

The researcher will try to collect the secondary data from the following sources:

1. District Rural Development Agency of Marathwada Region.
2. District Statistical Reports in Marathwada.
3. Published Annual Reports from Ministry of Rural development, Budget documents of Central and State Government and various plan documents.
4. Statistical data from Commissioner Office Aurangabad.
5. PanchayatSamiti, ZillaParishad, Muncipal Council, etc.
6. Published Research Work on the subject, Reference books published by various publishers.
7. Research Articles published in International, National and State Level journals.
8. Government and public libraries.
9. Government and NGOs Websits.

10. News papers.

Research Approach:-

The research scholar has profiled number of questionnaires from various publications and websites and formed a format related to the titled topic. Below titled are the tools and techniques involved in framing questionnaire.

Analysis and Interpretation:-

After collection of data the information had been coded and categorized. Analysis of the data has been carried out through horizontal percentages as well as cross tabulation. This has been facilitated by a paradigm of independent and dependent variables.

Scope and Limitations of Study:-

Government of Maharashtra and Government of India launched number of employment guarantee scheme in the state and region but the researcher selected only Urban and rural peoples Scheme for the micro study. The Study will be limited to all the district of Marathwada Region. The study will focus on implementing, strategy of State Government; find out the problems in implementing, problems faced by beneficiaries, and various obstacles therein. As far as the study period is concerned the data will be collected from year 2006 to 2016.

The Research Design:-

The research design used is survey design. Research design is the specific data analysis techniques or methods that the researcher intends to use. The survey design involves the collection and analysis of data, and finding out the answers concerning the current status of the subject. Also, it is a study of variables in their natural setting or under usual circumstances. This comprises observation of facts, formulation of hypothesis, collection and classification of data, interpretation of data, formulation of theories, application of facts and predictions. Since human behaviour is difficult and cannot be predicted, it makes the results of the research at times not to be applicable to the population.

Instrument:-

A questionnaire is the major instrument that was used to collect the data. The questionnaire was used in order to get a standard form of answers or response.

Research Approach:-

Since the purpose is to qualitative approach is found suitable for this study. Additionally to supplement the qualitative approach, small quantitative study was conducted.

Chapter Plan:- Following is the chapter plan for concern Research

Chapter I:- Introduction

Chapter II:- Research Methodology and Review of Literature

Chapter III:- Profile of Urban and Rural Peoples in Marathwada Region.

Chapter IV:-Causes of Financial Discrimination in Marathwada Region.

Chapter V:- Field Survey.

Chapter VI:- Conclusion and Suggestion.

Research Student Research Guide

Filename: synopsis (Commerce)
Directory: C:\Users\admin\Documents
Template: C:\Users\admin\AppData\Roaming\Microsoft\Templates\Normal.dotm
Title:
Subject:
Author: commerce
Keywords:
Comments:
Creation Date: 22-Jul-15 8:55:00 AM
Change Number: 38
Last Saved On: 09-Aug-16 10:19:00 PM
Last Saved By: Commerce
Total Editing Time: 70 Minutes
Last Printed On: 10-Aug-16 7:36:00 PM
As of Last Complete Printing
Number of Pages: 11
Number of Words: 2,960 (approx.)
Number of Characters: 16,873 (approx.)